



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Kitco, Inc.--Request for Reconsideration

File: B-232727.3

Date: February 22, 1989

DIGEST

Request for reconsideration of protest against allegedly noncompetitive award dismissed as academic is denied where agency cancels request for proposals (RFP) in order to revise requirements and reissue RFP on a more competitive basis and protester has not shown that corrective action was unreasonable.

DECISION

Kitco Inc., requests reconsideration of our December 27, 1988 dismissal, as academic, of its protest against the Air Force award of a quantity of regulator parts kits under request for proposals (RFP) No. F41608-87-R-4442 (RFP-4442) to Pacific Scientific. We deny the request.

The RFP was limited to approved sources for the kits which are used for repair of the B-52 bomber. Kitco, which was not an approved source for the item, submitted an offer under the RFP. On September 23, 1988, Kitco protested the Air Force's failure to approve it as a source for the kit and the subsequent allegedly noncompetitive award to Pacific, the only approved source. On November 1, 1988, we dismissed the protest as academic based on the Air Force's decision to take corrective action. The Air Force advised that it was terminating Pacific's contract for the convenience of the government and reported that it was reviewing the acquisition to reevaluate the need for Pacific's proprietary drawings as a condition of source approval and to revise the quantities required. On November 9, based on an urgent requirement, the Air Force awarded a sole-source contract (No. F040608-88-G-0087) to Pacific. Kitco again protested on November 18, seeking termination of this second contract and the award of the original contract under RFP-4442. The Air Force terminated the second contract for

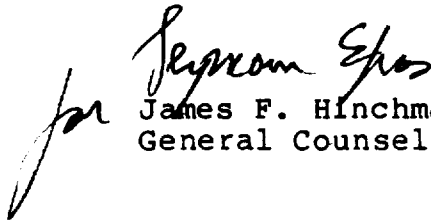
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the convenience of the government and advised us that it would recompute its entire needs on a competitive basis as it had previously advised us. We subsequently dismissed Kitco's second protest on December 27, 1988.

Kitco claims its protest is not academic because it seeks award under the canceled RFP-4442. In its November 18 protest, Kitco argued that the agency had no compelling reason to cancel since it received two offers under the RFP.

Contrary to Kitco's belief that the Air Force needed a compelling reason to cancel the solicitation, in a negotiated procurement, as this one was, the contracting officer need only have a reasonable basis for cancellation. Gradwell Company, Inc., B-230986, July 7, 1988, 88-2 CPD ¶ 19. The Air Force canceled the RFP because it wanted to review the need for Pacific's proprietary drawings as a condition of source approval with a view towards permitting increased competition and to revise the quantity of parts needed. We think the agency's stated bases for cancellation (including changes in the required quantities) provides an adequate justification for cancellation. See generally American Technical Communications, B-230827, July 15, 1988, 88-2 CPD ¶ 56.

We deny Kitco's request for reconsideration.


James F. Hinchman
General Counsel